

# **House of Representatives**

General Assembly

File No. 398

January Session, 2005

Substitute House Bill No. 6702

House of Representatives, April 18, 2005

The Committee on Planning and Development reported through REP. WALLACE of the 109th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

# AN ACT CONCERNING PAYMENTS TO THE DEPARTMENT OF MOTOR VEHICLES FOR ENFORCING PROPERTY TAX DELINQUENCIES AND CERTIFICATION OF TAX COLLECTORS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (e) of section 14-33 of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (Effective July
- 3 1, 2005):
- 4 (e) (1) On and after July 1, 2004, each city and town shall make an
- 5 annual payment to the Commissioner of Motor Vehicles, in an amount
- 6 determined by the Secretary of the Office of Policy and Management,
- 7 in order to participate in the program administered by the Department
- 8 of Motor Vehicles pursuant to subsection (a) of this section. Such
- 9 amount shall be each city or town's proportionate cost of the
- 10 administration of said program, to be determined as follows: The
- 11 number obtained by multiplying said program's administrative cost by
- a fraction the numerator of which shall be the city or town's population

13 and the denominator of which shall be the population of the state. As 14 used in this section, "population" means the number of persons in the 15 city or town according to the most recent estimate made, pursuant to 16 section 19a-2a, by the Department of Public Health. The commissioner 17 shall, on or before July fifteenth, annually, certify to said secretary the 18 commissioner's cost to administer said program in such form and 19 manner as the secretary may require. The secretary shall, on or before 20 August first, annually, notify the chief executive officer of each city 21 and town of the amount such city or town is required to pay to the 22 commissioner and such amount shall be payable not later than 23 September first following said notification date. All amounts received 24 by the commissioner pursuant to this subsection shall be deposited 25 into the General Fund. If a city or town fails to annually pay its 26 proportionate share of said program's administrative cost, the 27 commissioner shall not be required to deny the issuance of a 28 registration, pursuant to subsection (a) of this section, to the person 29 against whom such tax has been assessed by said city or town, or by a 30 borough or other taxing district located therein.

- (2) Notwithstanding the provisions of subdivision (1) of this subsection, the total amount that all towns and cities shall be required to pay to the Commissioner of Motor Vehicles, in the fiscal year commencing July 1, 2005, and in each fiscal year thereafter, shall not exceed the total amount determined as payable by all such towns and cities in the fiscal year commencing July 1, 2004.
- Sec. 2. Section 12-130a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2005*):
  - (a) There shall be established within the Office of Policy and Management a committee for the purpose of developing and maintaining a program and procedures for the training, examination and certification of tax collection personnel, appointed by the Secretary of the Office of Policy and Management and consisting of seven members, six of whom shall be voting members who shall serve without pay and shall be appointed initially as follows: Two members

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for two-year terms; two members for four-year terms; and two members for six-year terms. At least one member shall be from a municipality with a population of more than fifty thousand, and at least one member shall be from a municipality with a population under ten thousand. The Secretary of the Office of Policy and Management shall thereafter appoint two members every two years for six-year terms. The seventh member shall be an employee of the Office of Policy and Management, who shall be knowledgeable regarding Connecticut property tax collection practices and who shall serve as a nonvoting member of the committee. The six voting members of the committee shall have demonstrated competence in tax collection practices in Connecticut. Said committee shall elect its own chairman and [adopt regulations, in accordance with chapter 54,] proposed standards to said secretary for the training, fees and examination of tax collection personnel, including standards for the certification and recertification of tax collectors. Such [regulations] proposed standards may include requirements for any type of training or experience, or combination thereof, the committee deems appropriate. The secretary shall review the proposed standards and adopt regulations, in accordance with chapter 54, implementing any of such standards approved by the secretary.

(b) Any person may participate in training courses on tax collection practices prescribed by said committee and upon completing such training courses and successfully completing any examination prescribed by said committee, shall be recommended to the Secretary of the Office of Policy and Management as a candidate for certification as a certified Connecticut municipal collector. The Secretary of the Office of Policy and Management shall certify any qualified candidate recommended by said committee as a certified Connecticut municipal collector and may rescind such certification for sufficient cause as said secretary may determine. Said secretary may certify a candidate who has not completed such training courses provided such candidate has experience in tax collection practices in Connecticut to such extent, as determined by said secretary, to make it unnecessary to complete such training courses, and provided further such candidate shall be

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required to successfully complete any examination prescribed by said committee. Such certification shall be valid for five years from the date of issuance, or until regulations are adopted pursuant to subsection (a) of this section.

This act shall take effect as follows and shall amend the following							
sections:							
Section 1	July 1, 2005	14-33(e)					
Sec. 2	July 1, 2005	12-130a					

# **PD** Joint Favorable Subst.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

#### **OFA Fiscal Note**

#### State Impact:

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Department of Motor Vehicles	TF - Cost	20,000	40,000
Policy & Mgmt., Off.	GF - None	None	None

Note: TF=Transportation Fund; GF=General Fund

#### Municipal Impact:

Municipalities	Effect	FY 06 \$	FY 07 \$
All Municipalities	Savings	20,000	40,000

#### Explanation

The provisions of this bill result in a cost to the Department of Motor Vehicles and a savings to municipalities. The cost to DMV is estimated to be \$20,000. In the out-years the additional costs are anticipated to increase by \$20,000 per fiscal year. The bill caps the total amount to be paid to DMV at the FY 05 calculation determined by the Office of Policy and Management.

The bill changes the procedure by which tax collection personnel adopt regulations for training, fees and examination of tax collection personnel. There is no fiscal impact to the Office of Policy and Management.

### **OLR Bill Analysis**

sHB 6702

# AN ACT CONCERNING PAYMENTS TO THE DEPARTMENT OF MOTOR VEHICLES FOR ENFORCING PROPERTY TAX DELINQUENCIES AND CERTIFICATION OF TAX COLLECTORS

#### SUMMARY:

The bill caps the Department of Motor Vehicles' (DMV) annual assessment of municipalities for DMV's cost in administering the delinquent property tax enforcement program at the total amount assessed in FY 05. Under the program, municipalities must report vehicles with unpaid property taxes to DMV, which may not register them until the tax has been paid. Each municipality must pay its proportionate share of DMV's administrative costs (the total costs under current law and the capped cost under the bill), based on its population. By law, the DMV commissioner must certify DMV's administrative costs to the Office of Policy and Management (OPM) secretary. The bill specifies that the certification must be made in the form and manner that the secretary requires.

Under current law, OPM's tax collection personnel training committee must adopt regulations for training, fees, and examination of tax collection personnel. The bill instead requires the committee to propose standards to the OPM secretary. It requires the secretary to review the proposed standards and adopt regulations implementing those he approves.

By law, the secretary can certify municipal tax collectors. Under current law, certification is valid for five years. The bill specifies that alternatively, certification is valid until OPM adopts the regulations.

EFFECTIVE DATE: July 1, 2005

#### COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute Yea 18 Nay 0